DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS

In the matter of:	)	
	)	
	)	ISCR Case No. 25-00980
	)	
Applicant for Security Clearance	)	

Appearances

For Government: Brian Farrell, Esq., Department Counsel
For Applicant: *Pro se*

07/31/2026

Decision

OLMOS, Bryan J., Administrative Judge:

Applicant did not mitigate the security concerns raised under Guideline F (Financial Considerations) and Guideline E (Personal Conduct). Eligibility for access to classified information is denied.

Statement of the Case

On November 19, 2025, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guidelines F and Guideline E. The DCSA issued the SOR under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended, Department of Defense (DOD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the Security Executive Agent Directive 4 (SEAD 4), *National Security Adjudicative Guidelines* (AG), effective June 8, 2017.

On January 6, 2026, Applicant answered the SOR (Answer) and requested a hearing before an administrative judge from the Defense Office of Hearings and Appeals (DOHA). The hearing was convened as scheduled on June 24, 2026. Department Counsel offered into evidence Government Exhibits (GX) 1-8, and Applicant offered into evidence Applicant Exhibit (AX) A. All exhibits were admitted without objection. Applicant and three witnesses testified. The record was left open through July 10, 2026, for either party to submit additional information. Applicant timely submitted documents that I have labeled as AX B-P, which were admitted without objection. DOHA received the hearing transcript (Tr.) on July 1, 2026.

Findings of Fact

The SOR alleges that, in about June 2019, Applicant deliberately used his Company A credit card to pay for personal expenses. He initially received a written warning but failed to pay back $3,240 and his employment was terminated in about March 2020 (SOR ¶¶ 1.p, 2.a). The SOR alleges that he maintained multiple delinquent financial accounts (SOR ¶¶ 1.a-1.c, 1.e-1.o) totaling about $49,237 and about $54,091 in delinquent child support (SOR ¶ 1.d). The SOR further alleges that he intentionally failed to disclose in his August 2023 security clearance application (SCA) that he misused a company credit card (SOR ¶ 2.c) and that he received a written warning and was terminated from Company A (SOR ¶ 2.b). Also, the SOR alleges that he failed to disclose his delinquent financial accounts (SOR ¶ 2.e) and his delinquent child support payments (SOR ¶ 2.d).

Applicant admitted the SOR allegations relating to his misuse of a company credit card and all but one of the financial accounts. He denied SOR ¶ 1.i, a collection account relating to a medical debt ($2,292), and denied that he deliberately falsified his August 2023 SCA (SOR ¶¶ 2.b-2.e). He provided extenuating and mitigating information. His admissions are incorporated into my findings of fact. After reviewing the pleadings, evidence submitted, and testimony, I make the following additional findings of fact.

Applicant is 45 years old. He married in June 2004 and divorced in June 2018. He has three children, ages 19, 16 and 9. His oldest child is currently in college, and his other two children live with their mother in another state. Applicant is engaged to be married and has lived with his fiancée since 2019. He served on active duty in the Marine Corps from September 2000 through October 2008, participated in two consecutive combat deployments and was honorably discharged as a sergeant (E-5). (GX 1-3; Tr. 52-62)

Shortly after his military discharge, Applicant began working with Company A as a test engineer. After his employment with Company A was terminated in March 2020, he quickly obtained employment with Company B, another government contractor. He was laid off from this position in December 2020 and remained unemployed through July 2021. He then worked with Company C through June 2023. In July 2023, he took a new position with Company D, his current employer, and is a senior staff integration and test engineer. He had held a security clearance through most of his military career and for an unspecified period afterwards. (GX 1-3; Tr. 54-62)

Applicant's financial difficulties began with his divorce in 2018. Per agreement, his ex-wife moved out of state with their children, and he was required to pay about $1,800 per month in child support. Although he remained full-time employed with Company A, he was unable to maintain a budget and began experiencing delinquent accounts. In 2019, he began using his Company A credit card to purchase meals for himself even though he was not traveling for the company and these were not permitted expenses. By mid-2019, he had charged at least two months of rent to the company credit card and had an outstanding past due balance. These actions were in violation of company policy. (GX 2-4; Tr. 68-76, 103-111)

In June 2019, Applicant's manager and a human resources partner confronted Applicant about his misuse of the company credit card. In response, Applicant wrote:

> My actions are inexcusable. I knew better and should have had better judgment as I know how serious this is. Last year I went through a horrible divorce that devastated me financially and emotionally that [led] to these actions and to where we are now. I do make a significant amount of money, but I do have to pay my former wife about 40K a year. I fell behind in my bills and was desperate to make sure that they were all getting paid while trying to make sure that I did not [lose] my clearance. I made a foolish mistake in thinking that what I was doing would get me out of a jam and it did nothing but make my situation worse than it already was.

He received a written warning and was instructed to remit payment for his personal charges. He was provided with a payment plan and schedule. However, even after an extension, he failed to make the final payment, and his employment was terminated in March 2020. In correspondence dated September 2025, Company A stated that $3,240 of the debt remained outstanding. (GX 4; Tr. 68-76)

In about 2019, Applicant liquidated his Company A retirement account. He did not recall the amount of funds withdrawn but stated he continued to owe about $3,600 in taxes to the IRS for tax year 2019. He claimed that he continued to file his tax returns on time every year and did not owe any additional delinquent taxes. His tax debt is not alleged in the SOR. However, unalleged conduct may be considered for the limited purposes of assessing an applicant's credibility; to evaluate evidence of extenuation, mitigation, or changed circumstances; to consider whether an applicant has demonstrated successful rehabilitation; to decide whether a particular provision of the Adjudicative Guidelines is applicable; and as part of a whole person analysis. *See* ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006). (Tr. 118-130)

After his termination from Company A in March 2020, Applicant quickly secured new employment with Company B and submitted an SCA in August 2020. In this SCA, he disclosed that he was still employed with Company A and had received a written warning because he "used [the] company card for personal charges." He stated "I received a letter from [Company A] … notifying me that I owe them a sum of $875 due to an error of vacation balance after my separation. I will look into the letter and send them a payment." (GX 2; Tr. 87-88)

In his August 2020 SCA, Applicant further disclosed that he was working with a debt consolidation company to reduce his debt resulting from the divorce. An October 2020 credit report showed that he had multiple delinquent accounts. His 2020 security investigation was terminated when he was laid off from Company B in December 2020. He also experienced health issues during this time, including a heart attack. (GX 2, 8; Tr. 87-92)

While unemployed from about January through July 2021, Applicant's financial stressors grew, and he stopped making child support payments. Despite securing full-time employment with Company C in August 2021, he did not renew his child support payments until mid-2023, about the time he started with Company D, his current employer. He explained that, in 2022, he continued to experience several financial and health stressors, including two additional heart attacks and a diagnosis of congestive heart failure. (GX 1, 3, 7; AX C; Tr. 91-105)

Applicant's position with Company D required that he hold a security clearance and he submitted an SCA in August 2023. In this SCA, he did not disclose any misuse of Company A's credit card or that he received a written warning and his employment with Company A was terminated. Instead, he stated the reason he left Company A was to "start a new job." He also failed to disclose that he had delinquent financial accounts including delinquent child support. (GX 1)

During his October 2023 background interview with a government investigator, Applicant confirmed his answers to the August 2023 SCA. He then disclosed that, in about June 2019, he accidentally used his company credit card to pay his rent for a few months and for a few dinners. He detailed that he placed the credit card information into his Apple Pay account and accidentally used it instead of another card. He stated it was an "honest mistake" and that he notified his manager once he discovered the error. He claimed to not remember details regarding his receipt of a written warning or that he was fired from Company A. Instead, he recalled that his departure from Company A was mutual but admitted he did not read the paperwork he signed with Company A on his departure. He then explained that he did not understand all the questions contained within the SCA and that he rushed through some parts of the application. (GX 3)

Also during his October 2023 background interview, Applicant was asked about the status of his child-support payments and several delinquent accounts. He admitted that he did not pay child support for several years and, at one point, owed over $66,000. However, his wages were currently being garnished, including an extra amount per pay period for the arrears. He admitted awareness of several additional debts, including the balance due following a vehicle repossession in 2019. He claimed the debt associated with SOR ¶ 1.c ($25,570) was a loan taken out during his marriage and should have been resolved when he sold the marital home as part of the divorce. He also claimed not to recognize several delinquent debts, including the medical debt associated with SOR ¶ 1.i ($2,292). However, he stated he would contact his creditors to investigate and resolve the debts. (GX 3)

In his July 2025 response to government interrogatories, Applicant stated that he hired another debt consolidation company to assist in resolving his delinquent accounts.

However, he did not provide any details of the services provided by this company or the accounts involved. (GX 3)

In his January 2026 Answer to the SOR, Applicant detailed that he continued to experience medical issues but remained committed to resolving his delinquent accounts. However, he denied any deliberate falsification of his August 2023 SCA. He stated:

> Any omissions or incorrect responses on my [SCA] were not intentional or made with the purpose of deception. At the time of completion, I misunderstood the scope of the questions and did not fully appreciate that past financial and employment matters still required disclosure despite the passage of time. (Answer)

During his hearing, Applicant testified regarding his termination from Company A in March 2020. He claimed he informed his manager about his misuse of the company credit card prior to being investigated. This differs from the correspondence of Company A, reflecting that his manager initiated the discussion. However, Applicant admitted that his misuse of the company credit card was intentional. He stated, “I don't have a very good explanation for my behaviors at the time. I severely messed up. I should not have done this.” (Tr. 70-76)

When asked about his responses contained in his August 2020 and August 2023 SCAs, Applicant recalled disclosing general information about his misuse of the Company A credit card in his August 2020 SCA. However, he admitted he intentionally removed this information from his August 2023 SCA to avoid discussing the circumstances that led to the termination of his employment with Company A. He admitted he was also “nervous” and “really needed the job” with Company D. Similarly, he withheld information about his financial delinquencies because he was “embarrassed” and hopeful to avoid discussing his financial difficulties. He also admitted he “was not 100 percent honest” when interviewed by government investigator in October 2023. (Tr. 78-89)

In relation to his child support payments, Applicant testified that he has consistently made payments for about three years through a garnishment of his paycheck and that a portion of his payment goes toward arrears. A review of his credit reports shows that his balance of delinquent child support has decreased from $65,755 in September 2023 to $49,072 in June 2026. Documentation from the state reflects that, as of May 2025, he was paying $1,491 in current child support and $376 in past-due child support per month. He also noted that one of his children aged out of child support in May 2025 and another child will age out of child support in August 2026. (GX 5-8; AX A-C; Tr. 102-126)

Regarding his delinquent debts, Applicant detailed that, in February 2026, he began working with another debt consolidation company. He enrolled $14,063 in debt, including accounts associated with SOR ¶¶ 1.b ($2,285) and 1.j ($447) as well as several new delinquent debts. Per agreement, he is paying the debt consolidation company $340 per month to resolve his enrolled accounts. He has not received any financial counseling through any of the debt consolidation companies he worked with. Notably, several delinquent accounts, including SOR ¶ 1.c ($25,570), are not enrolled in the program and he did not describe other efforts made to resolve the remaining debts. (AX E-P; Tr. 95-115)

As to his medical debt, Applicant admitted that he received most of his treatment through the Department of Veterans Affairs (VA). However, he has received treatment through other care facilities and has been responsible for copays. To resolve his tax debt from 2019, he started a payment plan with the IRS in January 2026 and continues to send monthly payments. He further claimed that he recently contacted Company A and was informed that he did not owe any additional funds to Company A. (AX B; Tr. 118-130)

Applicant's June 2026 credit report reflects that he opened several accounts with balances under $3,000 in 2025 and 2026. He claimed he took several small loans to increase his credit score. However, two of those small loans are now past due. (AX A; Tr. 124-126)

Applicant detailed that his financial situation has significantly improved over time. He estimated his annual salary is about $124,000 and his fiancée's annual salary is about $90,000. He also receives about $4,000 in monthly benefits through the VA based on a 100% disability rating resulting from his military service. He believes he is now more financially responsible and stated he is committed to resolving all of his delinquent accounts. (Tr. 117-125)

Three witnesses testified on Applicant's behalf. All three individuals held a security clearance and noted they had worked with Applicant within the last four years. They highlighted that he maintained a "strong work ethic" and consistently went "above and beyond" in managing his workload and assisting others. They noted he had not experienced any security incidents and had received praise from various government clients. Although they were unfamiliar with the SOR allegations, they consistently stated that they believed he maintained the judgment, reliability and trustworthiness necessary to hold a security clearance. (Tr. 22-51)

Policies

It is well established that no one has a right to a security clearance. As the Supreme Court held in *Department of the Navy v. Egan*, "the clearly consistent standard indicates that security determinations should err, if they must, on the side of denials." 484 U.S. 518, 531 (1988)

When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are used in evaluating an applicant's eligibility for access to classified information.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(a), the entire process is a conscientious scrutiny of a number of variables known as the "whole-person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security." In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. Likewise, I have not drawn inferences grounded on mere speculation or conjecture.

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, an "applicant is responsible for presenting witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel and has the ultimate burden of persuasion to obtain a favorable security decision."

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Analysis

Guideline F, Financial Considerations

The security concern for financial considerations is set out in AG ¶ 18:

> Failure to live within one's means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules and regulations, all of which can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of, other issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. An

individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds.

The financial security concern is broader than the possibility that an individual might knowingly compromise classified information to raise money. It encompasses concerns about an individual's self-control, judgment, and other qualities essential to protecting classified information. An individual who is financially irresponsible may also be irresponsible, unconcerned, or negligent in handling and safeguarding classified information. *See* ISCR Case No. 11-05365 (App. Bd. May 1, 2012).

I have considered the disqualifying conditions for financial considerations under AG ¶ 19 and the following are potentially applicable:

(a) inability to satisfy debts;

(c) a history of not meeting financial obligations; and

(d) deceptive or illegal financial practices such as embezzlement, employee theft, check fraud, expense account fraud, mortgage fraud, filing deceptive loan statements and other intentional financial breaches of trust.

Applicant's admissions, testimony and record evidence, including credit reports dated October 2020, September 2023, April 2025, November 2025 and June 2026, establish the delinquent debts as alleged in the SOR. Security concerns under AG ¶¶ 19(a) and 19(c) are established for SOR ¶¶ 1.a through 1.o.

On multiple occasions in 2019, Applicant intentionally misused a company credit card to pay for personal expenditures. This was a deceptive financial act in breach of his fiduciary duties to his employer and reflected poor judgment and untrustworthy behavior. The security concern under AG ¶ 19(d) is established for SOR ¶ 1.p.

Once delinquent debts are established, an applicant has the burden of presenting evidence to refute, explain, extenuate, or mitigate the security concerns arising from those debts. *See* ISCR 20-03146 at 3 (App. Bd. June 6, 2022). The fact that a debt no longer appears on a credit report does not establish any meaningful, independent evidence as to the disposition of the debt. *See* ISCR Case No. 14-03612 at 3 (App. Bd. Aug. 15, 2015).

I have considered the mitigating conditions under AG ¶ 20, and the following are potentially applicable:

(a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or good judgment;

(b) the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances;

(c) the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control;

(d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts; and

(e) the individual has a reasonable basis to dispute the legitimacy of the past-due debt which is the cause of the problem and provides documented proof to substantiate the basis of the dispute or provides evidence of actions to resolve the issue.

Applicant's financial stressors originate from his divorce in 2018. He also experienced significant health issues including three heart attacks over three years. These were unforeseen events that occurred under unusual circumstances. Mitigation under AG ¶¶ 20(a) and 20(b) must be considered.

However, Applicant's decision to misuse his company credit card in 2019 was entirely within his control and the financial stressors he experienced after his March 2020 termination were foreseeable. Additionally, despite consistent employment with Company D, his current employer, since July 2023, his financial difficulties continue and include new accounts that become delinquent in 2025 and 2026. Beyond his child support payments discussed below, his recent hiring of a debt consolidation company and payments on a 2019 tax debt are insufficient to establish responsible actions for mitigation under either AG ¶ 20(a) or AG ¶ 20(b) to be applicable.

In his August 2020 SCA, Applicant stated he was working with a debt consolidation company to resolve his delinquent accounts. At hearing, he explained that he had entered an agreement with another debt consolidation company in February 2026 and was submitting $340 per month to resolve his delinquent accounts. However, he only enrolled $14,063 of debt with the company and included several new accounts outside of the SOR. Given the extended period that he has experienced delinquent debts and the total amount of debt involved, his recent attempt at a payment plan is insufficient to establish that he has made a good-faith effort to repay overdue creditors or otherwise resolve debts. AG ¶ 20(d) does not fully mitigate the security concerns. Additionally, he never received financial counseling from any of the debt consolidation companies or from another source. Mitigation under AG ¶ 20(c) is not applicable.

Applicant believes that the debt associated with SOR ¶ 1.c ($25,570) was resolved with the sale of the marital home following his divorce in 2018. He also denied SOR ¶ 1.i ($2,292), a medical debt in collection, stating that his medical treatment was covered through the VA. However, both accounts are established by record evidence, and he has not provided a reasonable basis to dispute the legitimacy of the debts. Mitigation of these accounts under AG ¶ 20(e) is not applicable.

Regarding his delinquent child support, SOR ¶ 1.d ($54,091), Applicant began paying child support shortly after his divorce in 2018 and continued until he was unemployed in 2021. He then went over two years before reinitiating child support payments through his current employer in mid-2023. He has since maintained consistent payments through a state-managed payment system. His balance of delinquent child support has decreased from $65,755 in September 2023 to $49,072 in June 2026. Over the last three years, he has established a good-faith effort to address his child support arrears. AG ¶ 20(d) is fully applicable to SOR ¶ 1.d.

Seven years have passed since Applicant misused his company's credit card. The record is absent any other instances where he committed financial malfeasance. However, in his August 2023 SCA and through his interview with a government investigator in October 2023, he denied he any misuse of the company credit card. In his Answer to the SOR, he then admitted that his misuse of the company credit card was intentional but denied that he deliberately withheld information in his August 2023 SCA. Finally, during his hearing, he admitted the extent of his actions and previous efforts to intentionally omit relevant and material information from his security investigation. His breach of his employer's trust raises critical concerns regarding his reliability, judgment, and overall trustworthiness. His reluctance over time to acknowledge and fully accept responsibility for his actions hinders both a positive credibility assessment and mitigation of the established security concerns. None of the mitigating conditions under AG ¶ 20 is applicable to SOR ¶ 1.p.

Guideline E: Personal Conduct

The security concern for personal conduct is set out in AG ¶ 15:

> Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes. …

The adjudicative guideline notes several conditions that could raise security concerns under AG ¶ 16. The following are potentially applicable:

> (a) deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine national security eligibility or trustworthiness, or award fiduciary responsibilities; and

(f) violation of a written or recorded commitment made by the individual to the employer as a condition of employment.

The Federal Government has a compelling interest in protecting and safeguarding classified information. *Department of Navy v. Egan*, 484 U.S. 518, 527 (1988). That compelling interest includes the government's legitimate interest in being able to make sound decisions, based on complete and accurate information, about who will be granted access to classified information. An applicant who deliberately fails to give full, frank, and candid answers to the government in connection with a security clearance investigation or adjudication interferes with the integrity of the government's industrial security program. *See* ISCR Case No. 01-03132 at 3 (App. Bd. Aug. 8, 2002).

The SOR alleged that Applicant intentionally omitted relevant and material information about his misuse of a company credit card as well as multiple delinquent accounts and delinquent child support from his August 2023 SCA. He denied these allegations in his Answer but admitted his conduct during the hearing. In consideration of the record evidence and testimony, security concerns under AG ¶ 16(a) are established for SOR ¶¶ 2.b through 2.e.

The security concern under Guideline F relating to Applicant's improper use of a company credit card in 2019 was cross-alleged under Guideline E. Applicant's conduct reflects questionable judgment and an unwillingness to comply with rules and regulations. This conduct is sufficient for an adverse determination under Guideline F as previously discussed. However, the general security concerns under AG ¶¶ 15 and 16(f) are established for SOR ¶ 2.a.

AG ¶ 17 lists conditions that could mitigate the personal conduct security concerns. The following are potentially applicable:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment; and

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that contributed to untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur.

The security clearance process relies on those who are trusted with our nation's secrets to be honest and forthcoming regardless of the consequences. While only

Applicant's deliberate omissions from his August 2023 SCA are alleged in the SOR, his broader effort to conceal relevant and material information from his security clearance investigation must be considered in weighing mitigation. Following his termination from Company A in March 2020, he admitted in his August 2020 SCA that he misused the company credit card but provided few details and claimed he owed funds to Company A relating to an "error" over his vacation balance. He also disclosed he was working with a debt consolidation company to address debts following his 2018 divorce but provided no account details.

Applicant then intentionally removed all details regarding his misuse of the Company A credit card and references to financial difficulties from his August 2023 SCA. During his October 2023 interview with a government investigator, he denied any intentional misuse of his Company A credit card, instead claiming it was an "honest mistake." In his Answer to the SOR, he then admitted that he intentionally misused his Company A credit card but denied that he deliberately withheld information from his August 2023 SCA.

Finally, Applicant admitted at his hearing that he had not been "100 percent honest" in his responses to questions within the security investigation and acknowledged that he had committed a serious lapse of judgment. He is credited with volunteering details about his misuse of a company credit card and about his financial history during the hearing. He is also credited with being forthright at hearing about his previous efforts to obscure or conceal information from his security clearance investigation. He admitted he felt embarrassed about his past and relayed his desire to set the record straight.

However, Applicant intentionally chose not to disclose his actions with Company A and details of his financial history repeatedly over an extended period. This was not a minor offense, and he did not make a prompt good-faith effort to correct his omissions and concealments. Given the extent of his omissions and falsifications, his recent efforts to provide accurate information do not fully mitigate the security concerns. More time is necessary for him to establish that he can maintain the reliability, trustworthiness, and judgment necessary to hold a security clearance. None of the mitigating conditions fully apply to SOR ¶¶ 2.a through 2.e.

Whole-Person Concept

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all relevant circumstances. The administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(d):

> (1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation

and other permanent behavioral changes; (7) the motivation for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. I have incorporated my comments under Guideline F and Guideline E in my whole-person analysis.

Applicant served active duty in the Marine Corps for eight years and participated in consecutive combat deployments before receiving an honorable discharge in 2008. He has been with his current employer since 2023 and three witnesses testified that he maintains a "strong work ethic" and was an asset to the company.

Following his divorce in 2018, Applicant experienced significant financial difficulties. These stressors weighed in his decision to intentionally misuse his company credit card to pay rent and purchase meals in 2019. He then omitted information about his conduct in his August 2023 SCA and in a subsequent interview with a government investigator. As recently as his Answer to the SOR, he denied that he had intentionally omitted relevant and material information from his security investigation.

At hearing, Applicant admitted his past conduct and acknowledged that he exhibited poor judgment by not being truthful. He expressed his desire to clarify the record. By his admissions and disclosures, he has started that process. Nonetheless, regarding both his financial considerations and personal conduct, more time is necessary for him to fully establish the trustworthiness necessary to hold a security clearance.

Overall, the record evidence leaves me with questions and doubts as to Applicant's eligibility and suitability for a security clearance. I conclude that he did not mitigate the financial considerations and personal conduct security concerns.

Formal Findings

Formal findings for or against Applicant on the allegations set forth in the SOR, as required by section E3.1.25 of Enclosure 3 of the Directive, are:

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a – 1.c:	Against Applicant
Subparagraph 1.d:	For Applicant
Subparagraphs 1.e – 1.p:	Against Applicant

Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraphs 2.a – 2.e:	Against Applicant

Conclusion

It is not clearly consistent with the national interest to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is denied.

Bryan J. Olmos
Administrative Judge